

**TESTIMONY OF ERIC J. BROWN  
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CONNECTICUT BUSINESS AND INDUSTRY ASSOCIATION  
BEFORE THE  
PUBLIC HEALTH COMMITTEE**

**MARCH 17, 2010**

Good afternoon. My name is Eric Brown and I am associate counsel with the Connecticut Business and Industry Association (CBIA). CBIA represents thousands of businesses of all sizes throughout Connecticut that provide hundreds of thousands of Connecticut citizens with good jobs and good benefits.

**CBIA is pleased to have this opportunity to inform the committee of our**

**SUPPORT for**

**H.B. No. 5477 (RAISED): AN ACT CONCERNING THE CLEAN WATER  
ACT AND STREAM FLOW REGULATIONS**

CBIA participated in a multi-year, multi-stakeholder effort to assist the Department of Environmental Protection (DEP) in writing regulations to address concerns about water use and its impact on rivers and streams in the state.

Unfortunately, the process came to an abrupt halt in the spring of 2009. For several months the advisory group heard nothing other than the DEP was working on a draft regulation. The next news we received was that a public notice and proposed regulation were being published in the Connecticut Law Journal in October of 2009. The draft was never reviewed with the advisory committee or offered to the committee for final comment before issuing the public notice draft.

CBIA provided oral comments at the January 21, 2010 public hearing and written testimony shortly thereafter in opposition to the version of the regulation released by the Committee.

CBIA contends that the proposed create a massively bureaucratic and expensive over-reaction to a very limited problem in Connecticut. Both EPA and DEP data indicate that less than 1% of Connecticut's rivers and streams are impaired due to diversions of the sort the proposed regulations are intended to address.

Additionally, compliance cost estimates run into the hundreds of millions of dollars. These costs will primarily be incurred by a variety of water companies throughout the state and will then be passed on to residential, commercial and industrial customers.

DEP's fiscal impact statement declares the agency anticipates the regulations can be implemented with existing DEP resources. With the program calling for classifying every river and stream in the state and a substantial regulatory and enforcement program to follow, CBIA has asked the DEP to indentify and quantifying where existing resources will be redirected from in order to accomplish this substantial task. What existing programs will suffer?

Water companies impacted by the regulations have assured us with certainty that restrictions on water usage will increase under the regulations and that long overdue investments in their water systems will have to be further deferred. This will further compromise reliability of water service to residents and businesses throughout the state.

Further, the regulations will unnecessarily hinder the state's ability to grow economically by placing additional restrictions on where such projects may be located.

In short, the proposed regulations will increase costs, reduce the reliability of the state's water supplies for residential and commercial use, and limit the state's potential for economic development.

Accordingly, CBIA opposes the regulations and recommended that the DEP ask the legislature to significantly modify the current authorizing statute in a manner that will direct the agency to narrowly focus its attention on those rivers and streams that have been identified as "impaired" due to water diversions and work with the affected communities to remedy those issues. To the extent the DEP finds it requires additional authority to successfully remedy these isolated challenges, it could seek such authority from the legislature.

HB-5477 takes a different approach. Instead of scaling back the scope of the program to match the extent of the concerns, it would require additional study be conducted on the implications to water companies and water users. It further provides for a review by the Department of Public Utility Control (DPUC) with respect to the programs potential impact to ratepayers. Under this approach, CBIA would respectfully request that a similar consultation be conducted involving the Department of Economic and Community Development to assess the impact of DEP's proposal on the state's ability to attract and site new businesses in Connecticut.

CBIA very much appreciates this committee's interest in this problem its raising this bill. We stand ready to support your efforts to help improve DEP's future stream flow program.